

MEMORANDUM

(non-log)

NATIONAL SECURITY COUNCIL

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ACTION

September 14, 1970

MEMORANDUM FOR DR. KISSINGER

FROM: Viron P. Vaky

SUBJECT: Chile -- 40 Committee Meeting, Monday --September 14

Attached is the CIA paper prepared as the basic document to be considered. You should read it carefully, especially Section I, pp 2-8, outlining the significant new developments that have occurred. This memo summarizes the CIA paper, provides analytical comment and my conclusions.

I. Summary of the Paper

A. The setting the paper describes includes these major elements:

1. Military action is impossible; the military is incapable and unwilling to seize power. We have no capability to motivate or instigate a coup.
2. Because of significant changes in circumstances, a political plan which Frei has contrived has some chance of success. It is still a very long shot, but it is the only possibility.
3. The plan involves an effort to corral enough PDC, Radical votes to elect Alessandri; he would then resign; a new election would be required; Frei would be eligible this time and would run; presumably he would be elected. The process is constitutional and legal, if unusual and untraditional.
4. The unqualified support and effort of Frei is central to this plan because moving the majority of the PDC congressional bloc to Alessandri is the essence of the maneuver. The attraction to the PDC is another six years of political power. Frei has taken the necessary preliminary steps to position the PDC and himself for such an effort.
5. The U. S. cannot operate this plan; it must be Chilean and Frei's. Our support and stimulus may be crucial, and resources may become important. But in essence we would be backstopping a Chilean effort.
6. Korry has in fact already encouraged and pushed this plan, if he did not participate in its creation. He has already committed us to at least moral support and encouragement. Therefore, the issue is not whether we go or do not go; but whether we continue this encouragement and do any more, or draw back.

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I. The Paper (continued)

- B. The possible courses of action to support and stimulate the Frei re-election gambit are described as:

1. Authorize the Ambassador to encourage the gambit through whatever resources are available to him locally, but on the most discreet basis to minimize exposure of USG's role.
2. Authorize the Ambassador to assure Frei directly that the USG strongly supports and encourages his efforts. This might include an oral message from President Nixon to be used if appropriate.
3. Parallel Ambassador's efforts with outside support to influence Frei-- stimulate foreign political figures whom Frei respects to encourage him.
4. Work through European Christian Democratic parties to bolster Frei's leadership and encourage the PDC leaders to contest Allende.
5. Encourage the Radical Party, through established assets, to abandon Allende in favor of Alessandri.
6. Generally keep information lines into the military and close communication to be prepared for any future eventuality.

The risks of exposure are appreciable, and raise the broader our involvement and contacts.

C. The paper asks the Committee to address the following questions:

1. Should the Ambassador be authorized to continue to encourage and support the Frei plan but with as little risk of exposure as possible? If so, should he be provided with a confidential message of support from President Nixon to Frei to use at the appropriate time?
2. Should his efforts be complemented through outside diplomatic and covert activities designed to encourage Frei? Should a propaganda campaign be conducted outside Chile in support of the Frei gambit?
3. Should an effort be made to swing Radical votes to Alessandri? Should the German Democratic Socialist Party which has close ties be encouraged to weigh in with the Radical Party in this sense?
4. Should we expand and intensify military contacts to be assured of requisite intelligence and stand-by channels of influence?

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II. ANALYSIS

The description of events and the proposals must be examined through the following questions:

- What are the chances of success?
- What element would USG involvement provide that would not otherwise be there and what difference would it make?
- What are the consequences of success, and the consequences of failure?
- What are the dangers to the US in getting involved?
- Why should we run these risks and incur these costs at all? Is it really necessary?

Without long narrative, I think a fair analysis would have to say:

1. Chances of Success. Frei says one in twenty; Korry says one in five. No one really knows with much precision, but it is clear that the chances of success are considerably less than even.
2. What does USG involvement add? Probably a great deal in terms of moral support and encouragement. Now that we have already begun this, to quit would almost surely kill the effort. It may not be able to continue without our support. There is less evidence that any material resources would be needed, but some money may be.
3. The consequences of success. It is vital to understand that it is not just a question of defeating Allende and that's it. This sets in motion a number of serious problems:

If Allende is defeated in the run-off, he and his supporters are most likely to go to the streets. Widespread violence and even insurrection is a possibility. He is unlikely to simply meekly run in a new election.

If there is a new election, we would want to make sure Frei wins; hence we would be drawn into further action to support his election.

If Frei is elected, his would be an unstable government facing serious dissension. Such a situation would probably require massive US economic and military assistance support.

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II. Analysis (continued)

4. The consequences of failure. If the gambit fails it will discredit the parties and the democratic institutions. It will give the Communists the excuse to push Allende quickly into a radical course. The restraints that would have been available to slow down or modify his actions would be gone. Failure would in short guarantee a fate that may not have been inevitable.
 5. Dangers to the US. The biggest danger is exposure of US involvement. This would wreck our credibility, solidify anti-US sentiment in Chile in a permanent way, create an adverse reaction in the rest of Latin America and the world and perhaps domestically. Exposure of US involvement with an effort that failed would be disastrous; it would be this Administration's Bay of Pigs.
- A second major danger is that while we might begin with a limited plan of encouragement, this is a slippery slope; we may very well find ourselves irresistibly sucked into rising degrees of involvement at rising risks to "protect the investment" and find ourselves having slipped into a disastrous situation.
6. Why the need for USG involvement. This is the crux of the issue. Do the dangers and risks of an Allende government coming to power outweigh the dangers and risks of the probable chain of events we would set in motion by our involvement?

What we propose is patently a violation of our own principles and policy tenets. Moralism aside, this has practical operational consequences. Are they rhetoric or do they have meaning? If these principles have any meaning, we normally depart from them only to meet the gravest threat to us, e.g., to our survival.

Is Allende a mortal threat to the US? It is hard to argue this. Is he a serious problem that would cost us a great deal? Certainly. Is it inevitable that he will consolidate his power? He has a very good chance; but it is far from inevitable or that if he does that he will be a success. Does an Allende government start a South American dominoes? Unlikely; the impact of a Marxist state in the rest of Latin America is containable.

III. CONCLUSIONS

I conclude that:

1. Any covert effort to stimulate a military take-over is a non-starter. There is no practical possibility at this point.

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III. CONCLUSIONS (Continued)

2. We should keep our lines open and broadened into the military. An opportunity may open up later; but for the moment we should gather information and establish standby channels.
3. Korry has already started us on a political track. We cannot backtrack without killing the Frei plan.
4. The Frei plan has some chance, and it is the only chance.
5. Our support can be important to its success.
6. It is possible to backstop it at this point with a minimum involvement and with acceptable risks.
7. But there are limits to what we can do acceptably. It is not a question of just adding more effort and money. Our capacity to succeed is simply not a function of how much effort we put in, and the greater our involvement the sharper the danger of exposure.
8. We should therefore enter into this in the knowledge that the calculus can change to make it wiser to cut out rather than just progressively be sucked into massive and disastrous involvement to "protect the investment."
9. We should also understand that this is not a limited operation. If it succeeds it opens up still more serious problems as outlined above. We are almost sure to be called upon for continued support of one kind or another^{for years} / (See II 3 above) and success of the plan will almost surely trigger violence in Chile.
10. I would recommend the following:
 - a. Authorize the Ambassador to continue to encourage Frei to use resources at his command, but with the utmost discretion and tact and with absolute minimum USG involvement. (I would not authorize a personal message from President Nixon; we should protect the President.)
 - b. Organize efforts from the "outside," i.e.
 - encourage European Christian Democrats to funnel support, encouragement and ideas; perhaps even funds.
 - encourage other leaders to do so.
 - develop an outside propaganda campaign as Frei suggested.

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III. CONCLUSIONS (Continued)

- c. Develop an internal propaganda campaign to stir fear of a Communist take-over, and expose Communist machinations.
- d. Use our separate assets to work on the Radical Party; try to get the German Social Democrat Party to do the same.
- e. Ask for weekly reports and establish some mechanism to monitor this carefully.

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